EXECUTIVE CHAMBERS HONOLULU July 13, 2004

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 3182

Honorable Members Twenty-Second Legislature State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 3182, entitled "A Bill for an Act Relating to State of Hawaii."

The purpose of this bill is to grant civil service status to the employees of the Department of Business, Economic Development, and Tourism's Business Action Center whose employee position numbers are 102006, 102007, 102008, and 102009.

This bill is objectionable on policy grounds. This bill "grandfathers" in four temporary, exempt Business Action Center employees into civil service status, without loss of salary and seniority and without necessity of examination. This is contrary to civil service principles of merit and open competition. Additionally, with the state financial plan projecting a deficit by fiscal year 2005-2006, increasing the permanent position count at this time would not be appropriate, because this would constrain administrative flexibility if it becomes necessary to restructure government.

For the foregoing reasons, I am returning Senate Bill No. 3182 without my approval.

Respectfully,

LINDA LINGLE Governor of Hawaii